

# Odoo v7 AvaTax Module User Guide

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# Initial Setup & AvaTax Configuration

## Overview

The purchase of AvaTaxERP connector software provides your organization with access to the AvaTax Calc service, including sales tax calculation for all US states and territories and all Canadian provinces and territories (including GST, PST and HST). The module is capable of automatically detecting origin (Output Warehouse) and destination (Client Address) then calculates and reports taxes to the Avalara as well as a recording the correct sales taxes for the validated addresses in your ERP!

This module utilizes core certified modules from Odoo as dependencies as will attempt to automatically (as Odoo modules typically do). The following dependencies will be installed: **base**, **sale**, **account**, **account\_accountant**, and **stock** modules. This module also has demo configuration data to work with demo deployments as well. Once configured the module operates in the background and performs calculations and reporting to AvaTax server seamlessly.

This guide includes instructions for the following elements:

- » Activating your organization's AvaTax account and downloading the product
- » Entering your AvaTax credentials into your ERP
- Configuring your ERP to use the AvaTax Calc service
- Using AvaTax features within your ERP

- **Note: It is recommended that you test the module before deploying in a production environment!**
- \* **Note: All changes to AvaTax settings must be done by a user with administrative privileges.**

## Installation

Download available on the Kranbery website as well as in the Odoo app store, github, or bazar. The module is also built with demo data so it's readily available to work on a demo deployment. Remember to contact Avalara to setup a demo or live account: <http://avalara.com>

Download the AvaTax Module: <http://kranbery.com/avatax>

Extract the downloaded file

Upload the extracted directory your configured Odoo modules directory

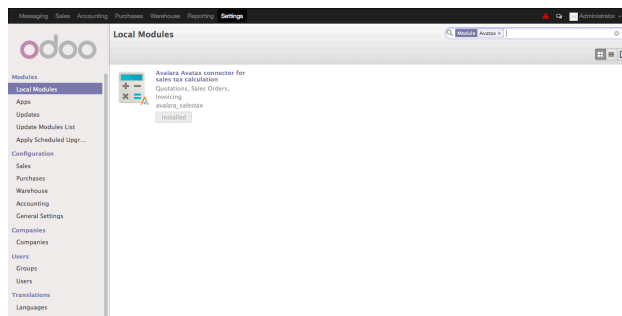
Click **"Install"** or **"Upgrade"** button

Restart Odoo service

Login as Administrator

Navigate to: **Setup > Installed Modules > Search for AvaTax**

Click **"Install"** button



## Configure AvaTax API

Navigate to: **Accounting > Configuration > AvaTax > AvaTax API**

Click “Create” button

Fill out the form with Company Code, Account Number and License Key provided to you by Avalara

Fill out the proper service URL provided to you by Avalara

\* You may have two service URLs: One for development/testing server and another for production transactions.

Click “Test Connection” button

Click “Save” button

You can further configure the module on this screen.

Other configuration options are:

### Adapter

- » Request Timeout - *Default is 300ms*
- » Enable Logging

### Address Validation

- » Attempt automatic address validation – *Will perform automatic validation when performing tax computation. The other validation options (below) are not required and will be deselected but available.*
- » Validate on save for customer profile – *Automatically attempts to validate on creation of customer profile update and creation. Last validation date will be visible and stored.*
- » Force Address validation on customer profile save – *In the case validation for customer is required but not valid, the validation will be forced.*
- » Return validation results in upper case – *validation results will return in upper case form.*

### System Calls

- » Order-level - All items on order are calculated as one transaction
- » Line-level - Each line item in an order is calculated, displayed and transacted separately

### Countries

- » Add or remove applicable countries

### Tax Calculation

- » Disable Tax Calculation and reporting
- » Disable Tax Calculation only

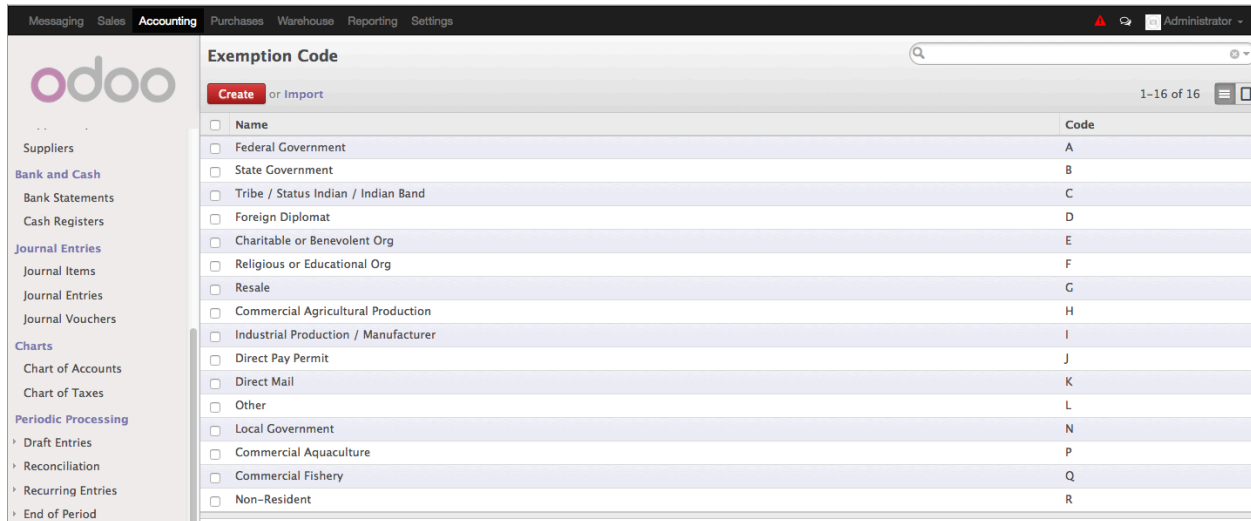
The screenshot shows the Odoo AvaTax API configuration interface. The left sidebar contains a navigation menu with categories like Suppliers, Bank and Cash, Journal Entries, Charts, Periodic Processing, Reporting, Configuration, and Taxes. The main panel is titled 'AvaTax API / avalara.salestax,3' and includes a 'Save' button. The configuration form is divided into several sections: 'Connection' (Company Code: KBTLC, Account Number: 1100115007, Service URL: https://development.avalara.net, Service Expiration Date: 09/09/2015), 'Adapter' (Request Timeout: 2000, Enable Logging: unchecked), 'Address Validation' (Attempt automatic address validation: checked, Force validate on save for customer profile: unchecked, Return validation results in upper case: unchecked, Automatically generate customer code: checked), 'System Calls' (Order-level: checked, Line-level: unchecked), 'Countries' (a table with columns for Country Name and Country Code, showing Canada and United States), and 'Tax Calculation' (Disable AvaTax Tax Calculation and reporting: unchecked, Disable AvaTax Tax calculation only: unchecked).

## Configure Exemption Codes

Exemption codes are allowed for users where they may apply, e.g., Government entity.

Navigate to: **Accounting > Configuration > AvaTax > Exemption Code**

The module is installed with sixteen (16) predefined exemption codes **Add, remove and modify** exemption codes



The screenshot shows the Odoo Accounting Configuration interface for AvaTax Exemption Codes. The left sidebar contains navigation links for Suppliers, Bank and Cash, Journal Entries, Charts, and Periodic Processing. The main area displays a table of 16 predefined exemption codes, each with a checkbox and a corresponding code letter (A through R). The table is titled 'Exemption Code' and includes a search bar and a 'Create or Import' button. The table shows 16 rows of data, each with a checkbox, a Name, and a Code.

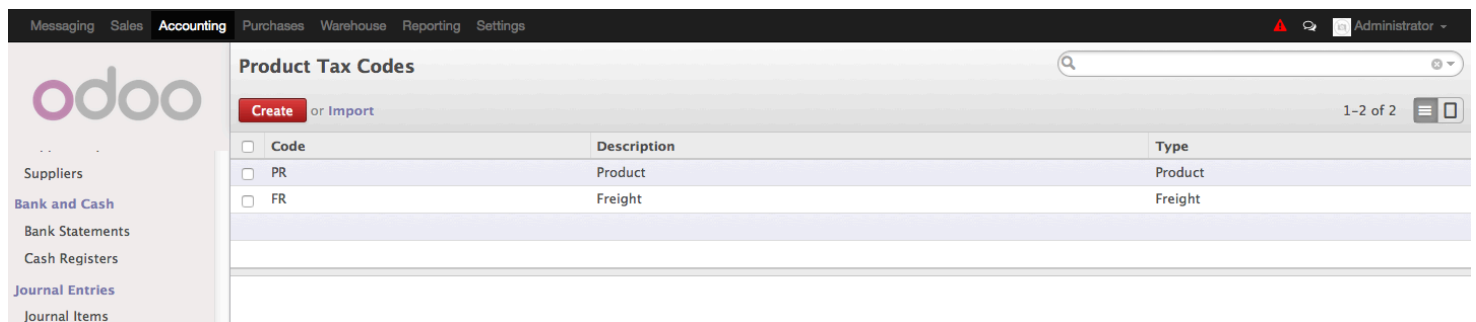
<input type="checkbox"/>	Name	Code
<input type="checkbox"/>	Federal Government	A
<input type="checkbox"/>	State Government	B
<input type="checkbox"/>	Tribe / Status Indian / Indian Band	C
<input type="checkbox"/>	Foreign Diplomat	D
<input type="checkbox"/>	Charitable or Benevolent Org	E
<input type="checkbox"/>	Religious or Educational Org	F
<input type="checkbox"/>	Resale	G
<input type="checkbox"/>	Commercial Agricultural Production	H
<input type="checkbox"/>	Industrial Production / Manufacturer	I
<input type="checkbox"/>	Direct Pay Permit	J
<input type="checkbox"/>	Direct Mail	K
<input type="checkbox"/>	Other	L
<input type="checkbox"/>	Local Government	N
<input type="checkbox"/>	Commercial Aquaculture	P
<input type="checkbox"/>	Commercial Fishery	Q
<input type="checkbox"/>	Non-Resident	R

## Product Tax Codes

Create product tax codes to assign to each product and/or product category.

Navigate to: **Accounting > Configuration > AvaTax > Product Tax Codes**

**Add, remove and modify** product tax codes



The screenshot shows the Odoo Accounting Configuration interface for AvaTax Product Tax Codes. The left sidebar contains navigation links for Suppliers, Bank and Cash, Journal Entries, and Journal Items. The main area displays a table of 2 predefined product tax codes, each with a checkbox, a code, a description, and a type. The table is titled 'Product Tax Codes' and includes a search bar and a 'Create or Import' button. The table shows 2 rows of data, each with a checkbox, a Code, a Description, and a Type.

<input type="checkbox"/>	Code	Description	Type
<input type="checkbox"/>	PR	Product	Product
<input type="checkbox"/>	FR	Freight	Freight

## Shipping Rate Configuration:

Configure shipping rates to apply to each transaction/product.

Navigate to: **Accounting > Configuration > AvaTax > Shipping Rate Configuration**

**Add, remove and modify** shipping methods and rates

Accounting

Shipping Rate Configuration

odoo

Suppliers

Bank and Cash

Bank Statements

Cash Registers

Journal Entries

Journal Items

Shipping Rate Configuration

Create or Import

1-1 of 1

Shipping Method Name	Active	Account
<input type="checkbox"/> Fedex	<input checked="" type="checkbox"/>	647000 Miscellaneous Expense

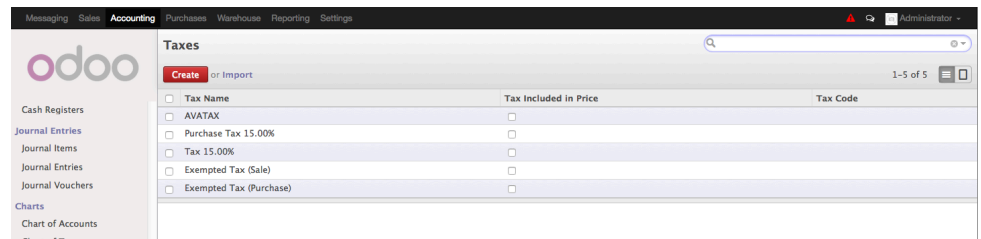
# Configure Taxes

The AvaTax module is integrated into the Taxes of Odoo. "AVATAX" is automatically added as a type of Taxes to be applied. You can configure how "AVATAX" integrates into the Odoo system.

## Configure AVATAX Tax Type

Navigate to: **Accounting > Taxes > Taxes**

Select **AVATAX** from the list view (automatically added on module install)



Click the **"Edit"** button

A screenshot of the Odoo web interface showing the 'AVATAX' configuration form. The left sidebar is the same as the previous image. The main area displays the 'Taxes / AVATAX' configuration page. At the top, there are 'Edit' and 'Create' buttons. Below, the 'Tax Name' is 'AVATAX' and 'Tax Code' is empty. The 'Tax Application' is 'Sale' and 'Active' is checked. Under 'Tax Definition', 'Special Computation' is selected. The 'Tax Computation' section shows 'Tax Type' as 'Percentage' with a value of '0.00000' and 'Tax Included in Price' as an unchecked checkbox. The 'Invoices' section shows 'Invoice Tax Account' as '121000 Tax Received', 'Account Base Code' as 'Tax Received Rate X (Exempt)', 'Base Code Sign' as '1.00000', 'Account Tax Code' as 'Tax Received Rate X (Exempt)', and 'Tax Code Sign' as '1.00000'. The 'Misc' section shows 'Sequence' as '1', 'Included in base amount' as an unchecked checkbox, and 'Tax on Children' as an unchecked checkbox. The 'Refunds' section shows 'Refund Tax Account' as '12200 Tax Paid', 'Refund Base Code' as 'Tax Paid Rate X (Exempt)', 'Refund Base Code Sign' as '1.00000', 'Refund Tax Code' as 'Tax Paid Rate X (Exempt)', and 'Refund Tax Code Sign' as '1.00000'. The 'Children/Sub Taxes' section is empty.

Configure the **AVATAX** Tax Type with the proper tax account configuration for your system.  
Click the **"Save"** button

\* Upon initial install the settings will be blank. The above image shows an example configuration.

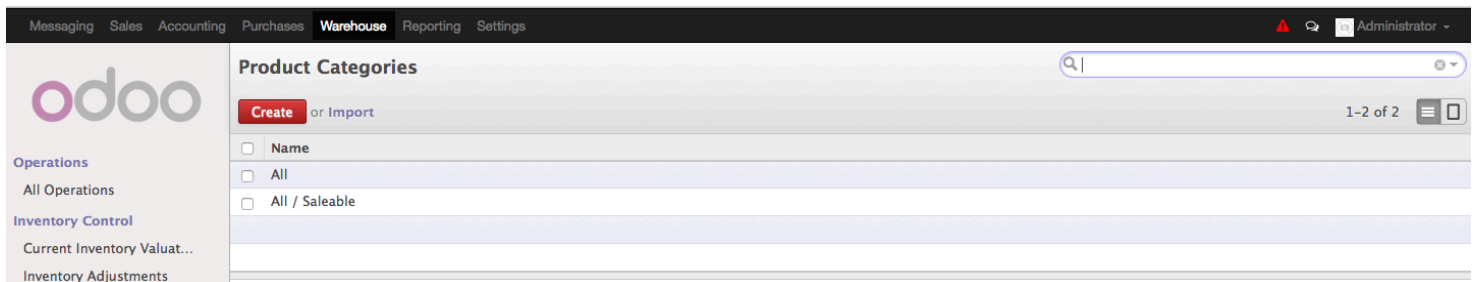
# Product Category Configuration

Odoo products are typically assigned to product categories. AvaTax settings can be assigned to the product category. The category default tax code will auto-populate when a product category is created

## Create New Product Category

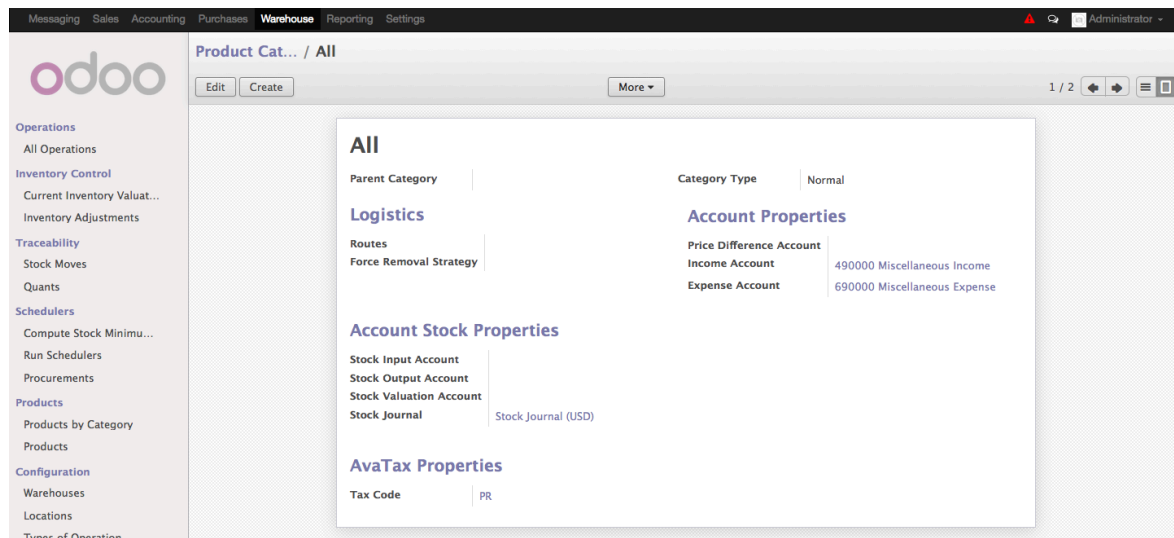
Navigate to: **Sales > Configuration > Products > Product Categories**

Click “**Create**” button



## Configure Product Category Tax Code

Under **AvaTax Properties > Tax Code**, Select the desired Tax Code



Click “**Save**” button



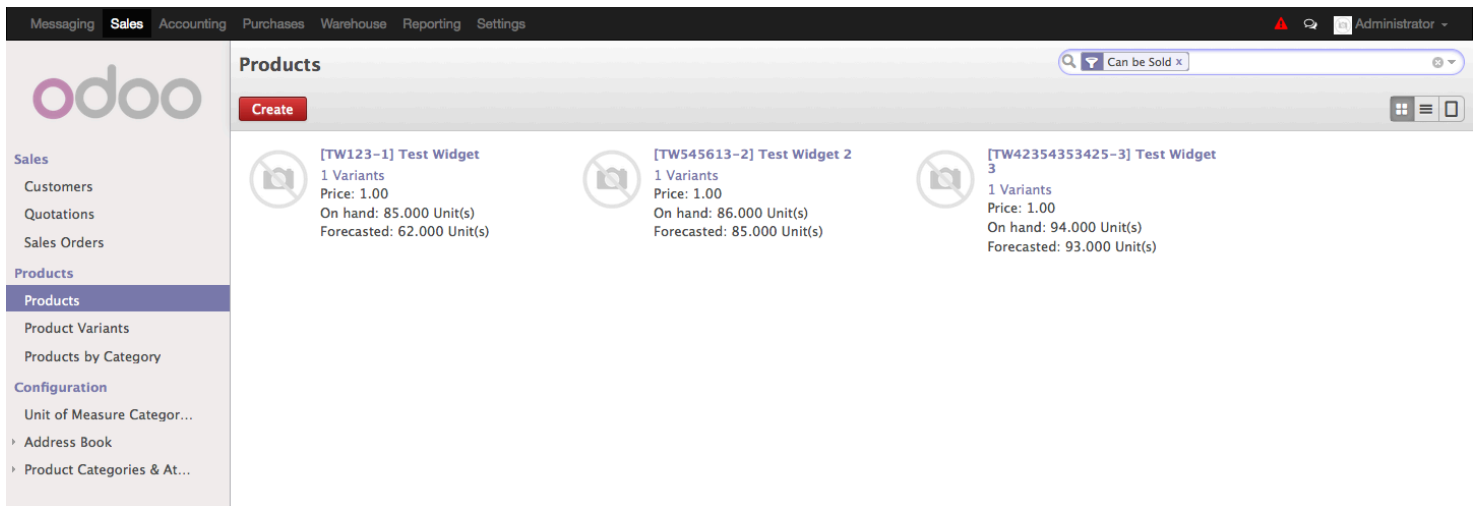
# Product Configuration

Individual products default to the tax code assigned to its product category, however you can change the tax codes if necessary. Tax calculations for a specific product can be disabled as need.

## Create New Product

Navigate to: **Sales > Products > Products**

Click “**Create**” button



## Configure Product Tax Code

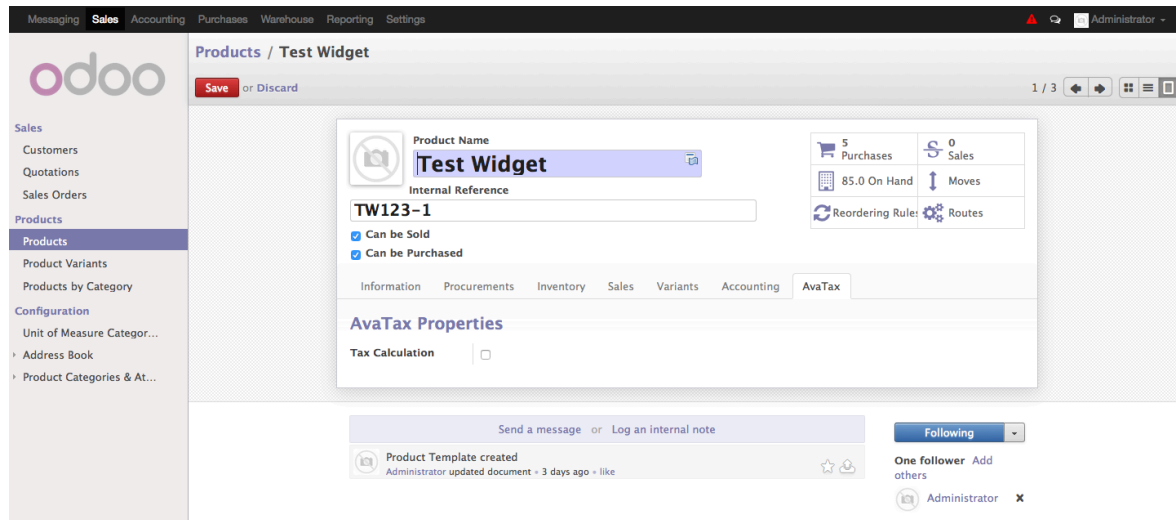
Under Category, select a Product Category

Under AvaTax Properties, the Tax Calculation check box is checked by default

If you wish to change the Tax Code defined by the Product Category, do so under

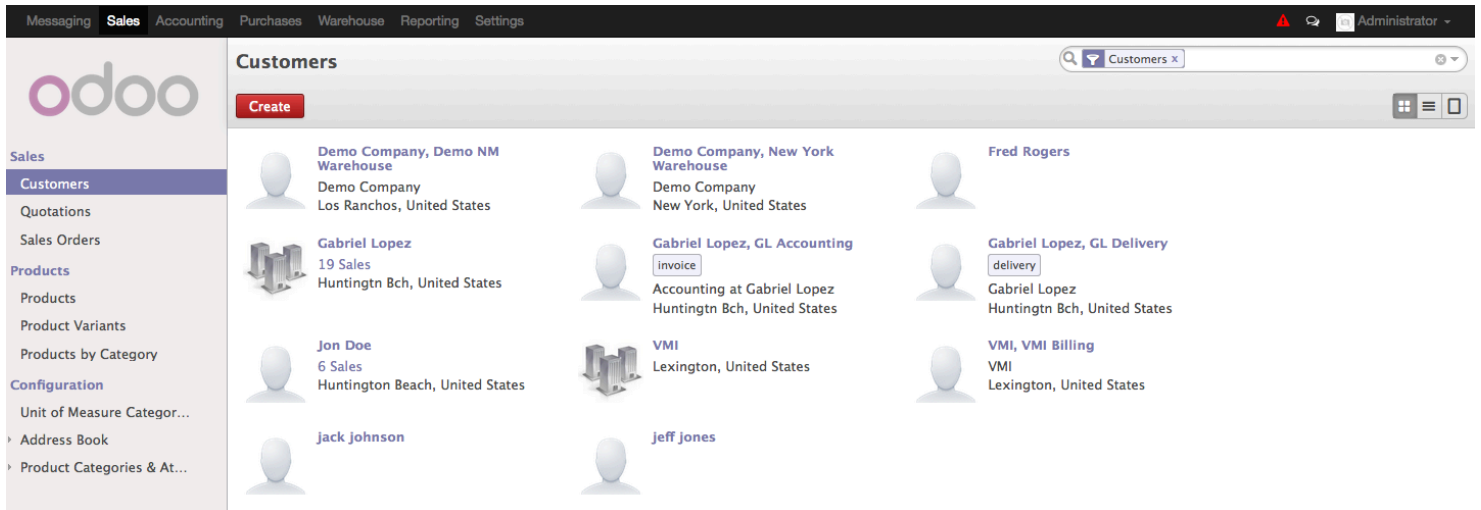
**AvaTax Properties > Tax Code**

Click “**Save**” button



# Customer Configuration

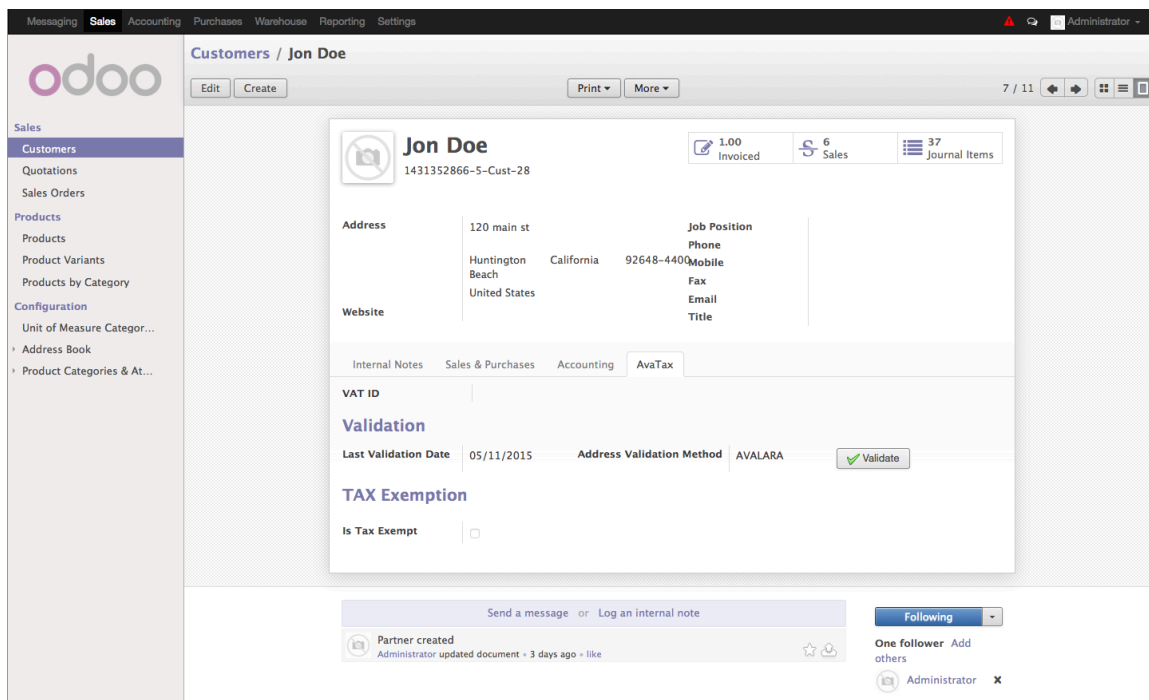
Properly configuring each customer ensures the correct tax is calculated and applied for all transactions.



## Create New Customer

Navigate to: **Sales > Customers**

Click **“Create”** button



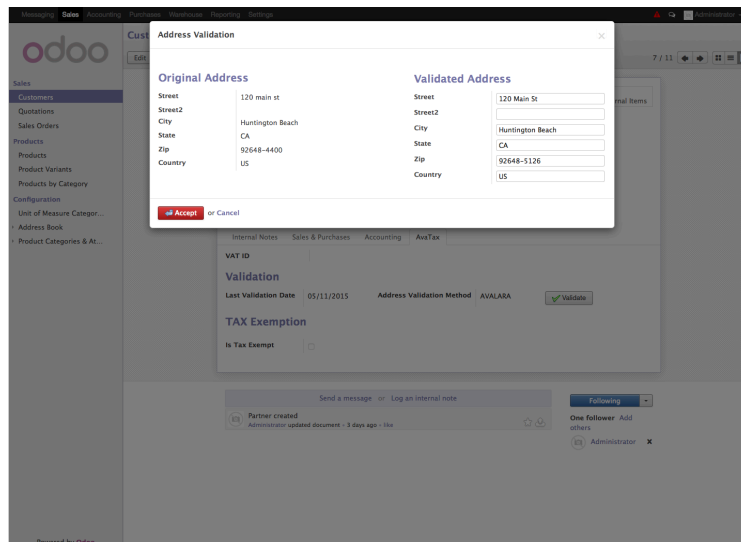
## Configure Customer Address

Enter Customer Address Select the AvaTax tab

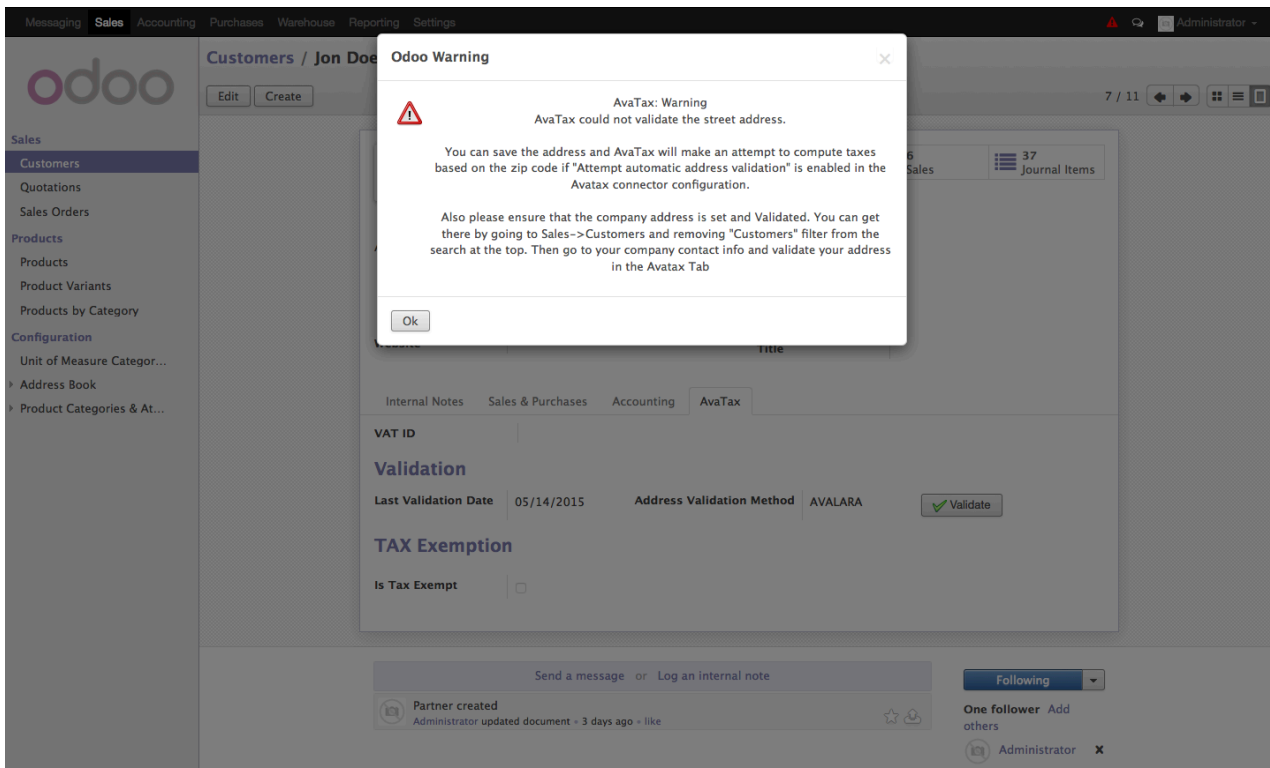
Click **“Validate”** button

## Address Validation

AvaTax Module will attempt to match the address you entered with a valid address in its database. Click the **“Accept”** button if the address is valid



If the address is not found in the AvaTax database you can still continue and use the address you entered by clicking **“OK”** on the warning dialog box



## Tax Exemption Status

If the customer is Tax Exempt, uncheck the box Under **Tax Exemption > Is Tax Exempt**  
Select the desired **Tax Exempt Code** from the dropdown menu

# Customer Invoices

The AvaTax module is integrated into Customer Invoices and is applied to each transaction. The Transaction log in the AvaTax interface shows the invoice details and displays whether the transaction is an uncommitted or committed status. A validated invoice will show an “Uncommitted” and a paid Invoice will show a “Committed” status.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

## Create New Customer Invoice

Navigate to: **Accounting > Customers > Customer Invoices**

Click “**Create**” button

## Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo

You will note that under Taxes you should see

“**AVATAX**” Click “**Compute Taxes**”

- \* **Note:** There is a “Compute” button at the top of the window as well as the “Compute Taxes” button under the subtotal section of the invoice window. Both button and link return a tax calculation.

The screenshot shows the Odoo Customer Invoice form. The top navigation bar includes Messaging, Sales, Accounting (selected), Purchases, Warehouse, Reporting, and Settings. The left sidebar lists various accounting and sales modules. The main form is titled "Customer I... / Invoice" and includes buttons for Edit, Create, Print, and More. The "Draft Invoice" window is open, showing customer details for Gabriel Lopez, invoice date, journal, account, exemption number, exemption code, location code, and warehouse. The "Avalara Tax on..." section shows default, invoice, and delivery addresses, along with a tax address. The "Invoice Lines" tab is selected, displaying a table with columns for Product, Description, Account, Quantity, Avalara Tax, Unit Price, Taxes, and Amount. The table contains two lines for "Test Widget" with a quantity of 1.000 each. The "AvaTax Shipping Lines" section is also visible at the bottom.

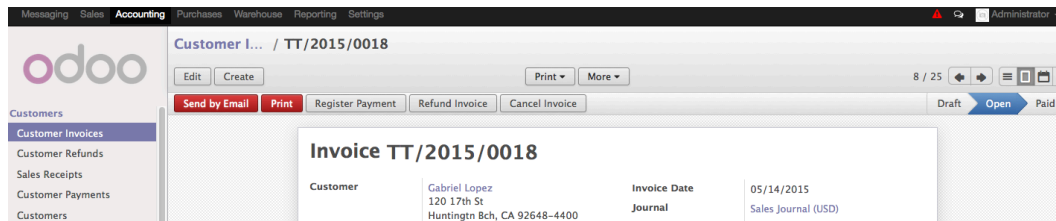
Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00
[TW42354353425-3] Test Widget 3	[TW42354353425-3] Test Widget 3	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

## Validate Invoice

After the taxes have been computed click **“Validate”** button

## Register Payment

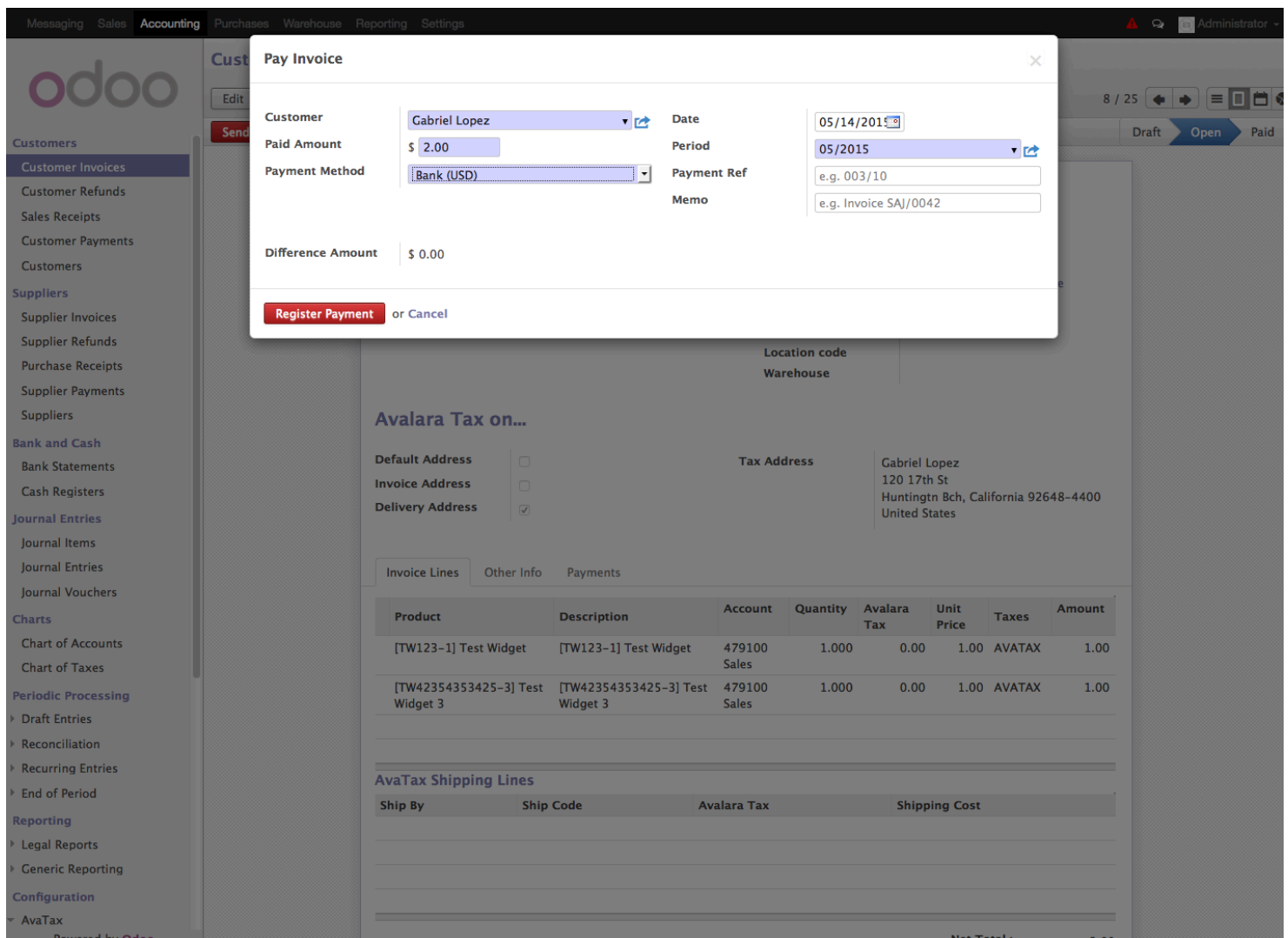
To complete the invoice click **“Register Payment”** button



The screenshot shows the Odoo interface for a Customer Invoice. The top navigation bar includes Messaging, Sales, Accounting, Purchases, Warehouse, Reporting, and Settings. The left sidebar lists various modules like Customers, Customer Invoices, and Sales Receipts. The main content area displays the invoice details for 'Customer I...' with the invoice number 'TT/2015/0018'. The customer is 'Gabriel Lopez' located at '120 17th St, Huntingtn Bch, CA 92648-4400'. The invoice date is '05/14/2015' and the journal is 'Sales Journal (USD)'. At the bottom, there are buttons for 'Send by Email', 'Print', 'Register Payment', 'Refund Invoice', and 'Cancel Invoice'. The 'Register Payment' button is highlighted in red.

Complete the Pay Invoice window

Click **“Pay”** button to finalize the Customer Invoice



The screenshot shows the 'Pay Invoice' window in Odoo. The window is titled 'Pay Invoice' and contains the following fields:

- Customer: Gabriel Lopez
- Paid Amount: \$ 2.00
- Payment Method: Bank (USD)
- Date: 05/14/2015
- Period: 05/2015
- Payment Ref: e.g. 003/10
- Memo: e.g. Invoice SAJ/0042
- Difference Amount: \$ 0.00

At the bottom of the window, there are two buttons: 'Register Payment' (highlighted in red) and 'Cancel'.

The background shows the Odoo interface with the 'Avalara Tax on...' section. The 'Default Address' is checked, and the 'Tax Address' is 'Gabriel Lopez, 120 17th St, Huntingtn Bch, California 92648-4400, United States'. The 'Invoice Lines' tab is selected, showing a table with the following data:

Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00
[TW42354353425-3] Test Widget 3	[TW42354353425-3] Test Widget 3	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

Below the table, there is a section for 'AvaTax Shipping Lines' with columns for 'Ship By', 'Ship Code', 'Avalara Tax', and 'Shipping Cost'. The 'Net Total' is shown as 2.00.

# Customer Refunds

Odoo applies refunds as opposed to voids in its accounting module. As with customer Invoices, the AvaTax module is integrated into Customer Refunds and is applied to each transaction. Refund Invoice transactions will be indicated with a negative total in the AvaTax interface.

## Initiate Customer Refund

Navigate to: **Accounting > Customers > Customer Invoices**

Select the invoice you wish to refund

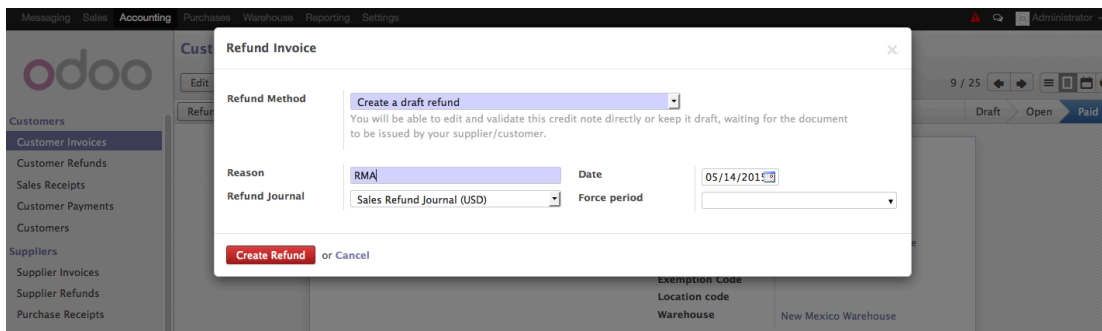
Click **“Refund Invoice”** button



## Create Refund Invoice

Under Refund Method select **“Create a draft refund”** from the dropdown

Click **“Create Refund”** button



You will be taken to the Customer Refunds list view

A screenshot of the 'Customer Refunds' list view in Odoo. The interface shows a table with columns: Customer, Invoice Date, Number, Responsible, Due Date, Source Document, Balance, Subtotal, Total, and Status. The table contains 7 rows of data. The top navigation bar and left sidebar are visible, showing the 'Accounting' module and 'Customer Refunds' menu item. The table has a search bar and a 'Create or Import' button at the top left. The status of each refund is indicated in the 'Status' column.

<input type="checkbox"/>	Customer	Invoice Date	Number	Responsible	Due Date	Source Document	Balance	Subtotal	Total	Status
<input type="checkbox"/>	Gabriel Lopez	05/11/2015		Administrator	05/11/2015	TT/2015/0014	0.00	1.00	1.00	Draft
<input type="checkbox"/>	Gabriel Lopez	05/11/2015		Administrator	05/11/2015	TT/2015/0007	0.00	1.00	1.00	Draft
<input type="checkbox"/>	Jon Doe	05/11/2015		Administrator	05/11/2015	TT/2015/0006	0.00	1.00	1.08	Draft
<input type="checkbox"/>	Gabriel Lopez	05/11/2015	TT/2015/0010	Administrator	05/11/2015	SAJ/2015/0002	1.00	1.00	1.00	Open
<input type="checkbox"/>	Jon Doe	05/11/2015	TT/2015/0009	Administrator	05/11/2015	TT/2015/0017	0.00	2.00	2.16	Paid
<input type="checkbox"/>	Jon Doe	05/11/2015	TT/2015/0008	Administrator	05/11/2015	TT/2015/0016	0.00	1.00	1.08	Paid

## Validate Refund

Select the Customer Refund you wish to refund  
Review the Draft Refund and click “**Validate**” button

The screenshot shows the Odoo Accounting interface for a Customer Refund. The left sidebar contains a menu with categories like Customers, Suppliers, Bank and Cash, Journal Entries, Charts, Periodic Processing, and Reporting. The main area displays the 'Refund TT/2015/0011' form. At the top, there are buttons for 'Send by Email', 'Print', 'Register Payment', 'Refund Invoice', and 'Cancel Invoice'. The form fields include:

- Customer:** Gabriel Lopez, 120 17th St, Huntingtn Bch, CA 92648-4400, United States
- Fiscal Position:** (empty)
- Invoice Date:** 05/11/2015
- Journal:** Sales Refund Journal (USD)
- Account:** 120010 Account Receivable
- Exemption Number:** 576441654984
- Exemption Code:** (D) Foreign Diplomat
- Location code:** (empty)
- Warehouse:** Demo Company

Below these fields is the 'Avalara Tax on...' section with checkboxes for 'Default Address', 'Invoice Address', and 'Delivery Address'. The 'Tax Address' field is populated with the same customer address. The 'Invoice Lines' tab is active, showing a table with the following data:

Product	Description	Account	Quantity	Avalara Tax	Unit Price	Taxes	Amount
[TW123-1] Test Widget	[TW123-1] Test Widget	479100 Sales	1.000	0.00	1.00	AVATAX	1.00

At the bottom, there is an 'AvaTax Shipping Lines' section with a table for 'Ship By', 'Ship Code', 'Avalara Tax', and 'Shipping Cost'.

## Register Refund Payment

Click “**Register Payment**” button to complete refund

This screenshot shows the same 'Refund TT/2015/0011' form as the previous one. The 'Register Payment' button is highlighted in red, indicating it is the next step in the process. The form fields and layout are identical to the previous screenshot.

Complete the Pay Refund window  
Click “**Pay**” button to finalize the Customer Refund

The screenshot shows the 'Pay Invoice' dialog box. It contains the following fields:

- Customer:** Gabriel Lopez
- Paid Amount:** \$ 2.00
- Payment Method:** Bank (USD)
- Date:** 05/14/2015
- Period:** 05/2015
- Payment Ref:** e.g. 003/10
- Memo:** e.g. Invoice SAJ/0042
- Difference Amount:** \$ 0.00

At the bottom, there are two buttons: 'Register Payment' (highlighted in red) and 'Cancel'.



# Sales Orders

The AvaTax module is integrated into Sales Orders and allows computation of taxes. Sales Order transactions do not appear in the AvaTax interface.

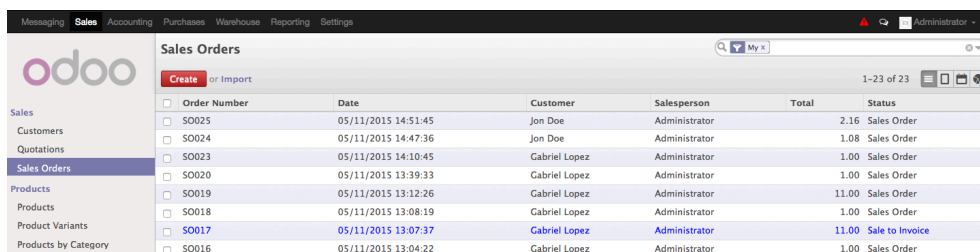
The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.

The information placed in the sales order will automatically pass this information to the Invoice where the report the tax calculation to the Avalara servers and can be viewed in the AvaTax control panel.

## Create New Sales Order

Navigate to: **Sales > Sales > Sales Orders**

Click **“Create”** button

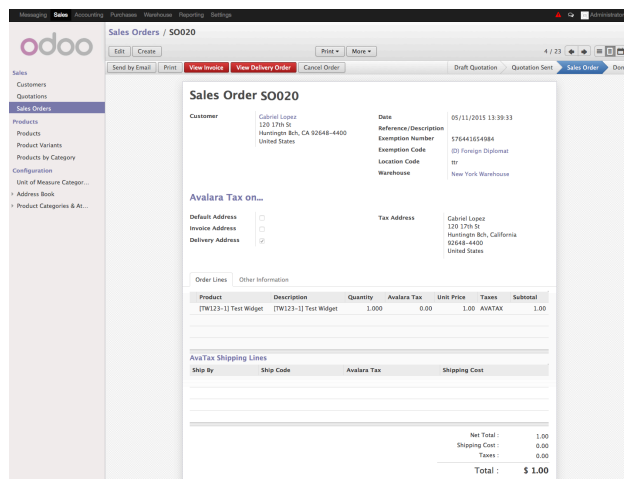


Order Number	Date	Customer	Salesperson	Total	Status
<input type="checkbox"/> SO025	05/11/2015 14:51:45	Jon Doe	Administrator	2.16	Sales Order
<input type="checkbox"/> SO024	05/11/2015 14:47:36	Jon Doe	Administrator	1.08	Sales Order
<input type="checkbox"/> SO023	05/11/2015 14:10:45	Gabriel Lopez	Administrator	1.00	Sales Order
<input type="checkbox"/> SO020	05/11/2015 13:39:33	Gabriel Lopez	Administrator	1.00	Sales Order
<input type="checkbox"/> SO019	05/11/2015 13:12:26	Gabriel Lopez	Administrator	11.00	Sales Order
<input type="checkbox"/> SO018	05/11/2015 13:08:19	Gabriel Lopez	Administrator	1.00	Sales Order
<input type="checkbox"/> SO017	05/11/2015 13:07:37	Gabriel Lopez	Administrator	11.00	Sale to Invoice
<input type="checkbox"/> SO016	05/11/2015 13:04:22	Gabriel Lopez	Administrator	1.00	Sales Order

## Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo. You will note that under Taxes you should see **“AVATAX”**. Click **“Compute”** in the subtotal section of the page.

The module will check if there is a selected warehouse and will automatically determine the address of the warehouse and determine the origin location. If no address is assigned to the warehouse the module will automatically use the address of the company as its origin.



**Sales Order SO020**

Customer: Gabriel Lopez, 120 17th St, Huntington Bldg, CA 92648-4400, United States

Date: 05/11/2015 13:39:33

Reference/Description: 576410048M

Exemption Number: 021 Foreign Diplomat

Location Code: BTR

Warehouse: New York Warehouse

**Avalara Tax on...**

Default Address: ☐ Tax Address: Gabriel Lopez, 120 17th St, Huntington Bldg, California 92648-4400, United States

Invoice Address: ☐

Delivery Address: ☒

**Order Lines**

Product	Description	Quantity	Avalara Tax	Unit Price	Taxes	Subtotal
[TW123-1] Test Widget	[TW123-1] Test Widget	1.000	0.00	1.00	AVATAX	1.00

**Avalara Tax Shipping Lines**

Ship By	Ship Code	Avalara Tax	Shipping Cost

Net Total: 1.00  
Shipping Cost: 0.00  
Taxes: 0.00  
**Total: \$ 1.00**